

1 Kenneth H. Brown (CA Bar No. 100396)  
2 Miriam Manning (CA Bar No. 178584)  
3 PACHULSKI STANG ZIEHL & JONES LLP  
4 One Sansome Street, 34th Floor, Suite 3430  
5 San Francisco, CA 94104  
6 Telephone: 415/263-7000  
7 Facsimile: 415/263-7010

5 E-mail: [kbrown@pszjlaw.com](mailto:kbrown@pszjlaw.com)  
6 [mmanning@pszjlaw.com](mailto:mmanning@pszjlaw.com)

7 Counsel for E. Lynn Schoenmann,  
8 Chapter 7 Trustee

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10 **UNITED STATES BANKRUPTCY COURT**  
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12 **NORTHERN DISTRICT OF CALIFORNIA**  
13  
14 **SAN FRANCISCO DIVISION**

15 In re:

16 PETER R. FADER  
17 *dba* Urchin Capital Partners  
18 *dba* Urchin Partners LLC,

19 Debtor.

20 Case No.: 08-30119-DM

21 Chapter 7

22  
23 **DECLARATION OF JAY CROM IN  
24 SUPPORT OF CHAPTER 7  
25 TRUSTEE'S MOTION FOR ORDER  
26 AUTHORIZING PAYMENT OF  
ESTATE'S POST-PETITION TAX  
OBLIGATIONS**

27 Hearing Date

28 Date: November 15, 2022  
Time: 11:30 a.m.  
Place: Courtcall/Videoconference  
Judge: Honorable Dennis Montali

29 I, Jay Crom, hereby declare as follows:

30 1. I am a certified public accountant in the State of California, and am a partner in the  
31 firm of Bachecki, Crom & Co., LLP, Certified Public Accountants (“BCC”). BCC has been retained  
32 by E. Lynn Schoenmann, the chapter 7 trustee (“Trustee”) in the above-referenced bankruptcy case.  
33 I have personal knowledge of the facts set forth herein and, if called as a witness, I would and could  
34 competently testify thereto.

35 2. I submit this declaration in support of the *Motion for Order Authorizing Payment of*  
36 *Estate's Post-Petition Tax Obligations* (“Motion”) filed concurrently herewith.

3. On January 26, 2008, the Peter R. Fader (“Debtor”) filed a voluntary chapter 7 petition in this Court. The Debtor received a discharge and the case was subsequently closed in 2010. On July 14, 2019, the Debtor filed an application to reopen his bankruptcy case to disclose claims based on oral agreement previously omitted from his bankruptcy schedules (“Claims”) and to enable the Trustee to determine whether the Claims constitute property of the estate that could be administered by the Trustee.

4. On September 13, 2019, the United States Trustee appointed E. Lynn Schoenmann as the Chapter 7 trustee.

5. On September 15, 2019 the Debtor's bankruptcy case was reopened to enable the Trustee to investigate and possibly pursue the Claims for the benefit of the estate and its creditors.

6. On October 19, 2022, the Trustee filed a *Motion to Approve Compromise of Adversary Proceeding Against Steven R. Boal and Quotient Technology Pursuant to FRBP 9019* which seeks Bankruptcy Court approval to settle the Claims for the sum of \$5,000,000 (“Settlement Amount”). According to the terms of the settlement and if approved, the Settlement Amount will be paid in two equal installments of \$2,500,000.

7. I have calculated the estate's estimated income tax obligations arising from the estate's receipt of the Settlement Amount. The actual amount of taxes depends on variables such as the amount of deductible expenses paid in each tax year and the taxes due could be impacted by changes in tax law and other factors. That computation shows that the estate will owe estimated taxes that are not anticipated to exceed the following amounts:

- a. \$345,000 payable in 2022 and \$265,000 payable in 2023 to the United States Treasury; and
- b. \$128,000 payable in 2022 and \$106,000 payable in 2023 to the California Franchise Tax Board.

8. If these tax obligations are not timely paid, the estate may incur penalties and interest.

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1 I declare under penalty of perjury under the laws of the United States of America that the  
2 foregoing is true and correct. Executed this 21st day of October 2022 at San Mateo, California.  
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10 By: *Jay D. Crom*  
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